

TO: Distribution

FROM: Shari Teitelbaum

SUBJECT: The "Uncomfortable" Merit Smoker

DATE: January 6, 1993

A key finding about Merit smokers has emerged from qualitative and quantitative research conducted over the past two years: Merit smokers are "uncomfortable" being smokers and smoking Merit (a low tar cigarette) is perceived to be a "smart choice" The following summarizes research which supports this finding.

Consistent with learning from prior research, Merit was perceived to be a "smart choice" for "uncomfortable" or "self-conscious" smokers in focus groups conducted among current Merit smokers and past year out-switchers from Merit (October 1992, New Jersey). As a low tar brand, Merit was perceived to be for "someone with a conscience". In particular, Merit Ultra Lights was viewed as a "socially acceptable" cigarette for "self-conscious" smokers or a "thinking person's" cigarette.

These attitudes are borne out in the 1991 Smokers' and Non-Smokers' Attitudes Segmentation study which divided smokers into six smoker segments based on attitudes toward smoking. As shown in Table 1, Merit indexed highest on "self-conscious" (index=184) and "socially and financially concerned" smokers (index=166) and lowest on "proud" smokers (index=28).

(Table 1)

"Self-conscious" smokers are defined as people who are uneasy with their status as smokers. They see smoking as a sign of personal weakness and are starting to feel ashamed that they smoke. "Socially and financially concerned" smokers are uncomfortable being smokers for two reasons: they are subjected to social pressure and sensitive about the cost of cigarettes. "Proud" smokers, where Merit indexes lowest, are the heaviest smokers and enjoy and derive greater benefits from smoking, like being smokers and believe that smokers have rights.

The National Market Structure Study also indicates that Merit is a brand of choice for "uncomfortable" smokers. In this study, smokers were asked to evaluate brands on different product attributes (such as taste, smoothness, freshness and tobacco quality) as well as on image statements (including their perceptions of who, by age and vocation, would smoke each brand, and each brand's price, stylishness and popularity). A correspondence analysis was done which resulted in brands being placed on graphs where relative proximity to an attribute indicates how closely smokers perceive that attribute describes the brand and axes are defined by those characteristics which best discriminated between brands.

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Smokers defined as "uncomfortable" rated Merit higher on product attributes than "comfortable" smokers did. "Uncomfortable" smokers viewed Merit more favorably, placing Merit in the "quality" quadrant with other well-established flavor low cigarettes, near Camel Lights and Marlboro Medium. These brands were perceived to have consistent taste, pleasant aroma, high quality tobacco and to always be fresh. In contrast, for "comfortable" smokers, Merit Parent fell next to Carlton in the quadrant comprised mainly of price/value brands, which were perceived to be lower quality, quite a distance from the positive attributes of consistent taste, good tasting and high quality tobacco. This indicates that "uncomfortable" smokers are more positively disposed toward Merit's taste/quality than are "comfortable" smokers and are therefore more likely to smoke the brand.

(Tables 2 and 3)

There was little difference in how these two groups of smokers viewed Merit's image. Both placed Merit in the quadrant with other low tar brands which were perceived to be for people in their 30's, white collar people and more for women than for tough, rugged people.

(Tables 4 and 5)

Implications

This finding has broad implications for the development of the brand character statement, future advertising and packaging changes for Merit. In accordance with the low key nature of the Merit smoker, packaging changes should be subtle. Anything too drastic or flashy could make these smokers uncomfortable carrying the Merit pack around. Advertising, while communicating Merit as "the smart choice", should not be too aggressive. Cues which remind smokers of situations that make them "uncomfortable" smoking, such as dirty ashtrays, are likely to prompt negative responses.

Attachment

Distribution

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L. Bromberg (LBC)
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K. Lalley (LBC)
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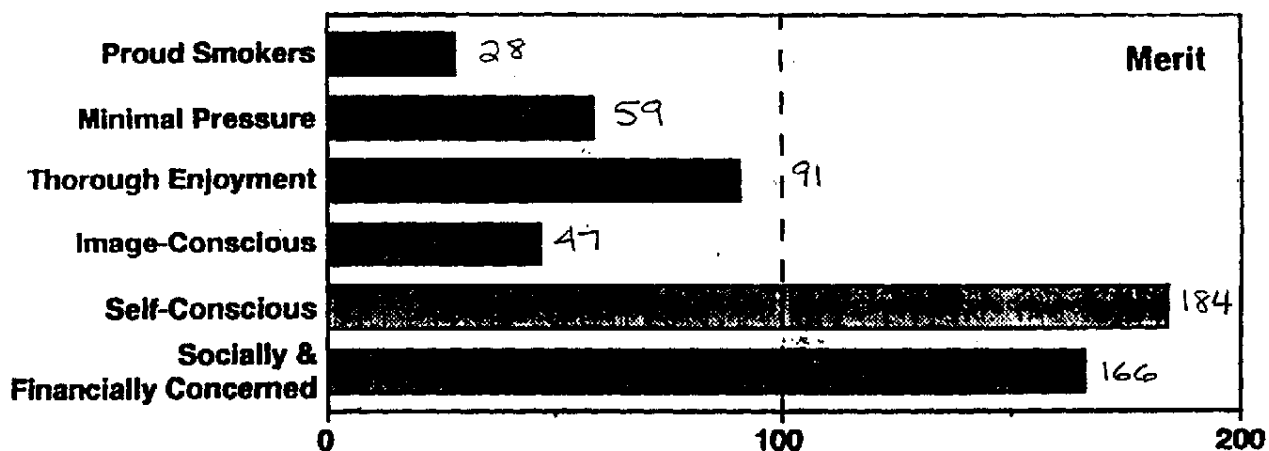
Shari

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Table 1

Indices for Regular Brand (Family) Use

- by Segment -



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Table 2

PROJECT ATTRIBUTE MAP
(NON-MENTHOL UNCOMFORTABLE)

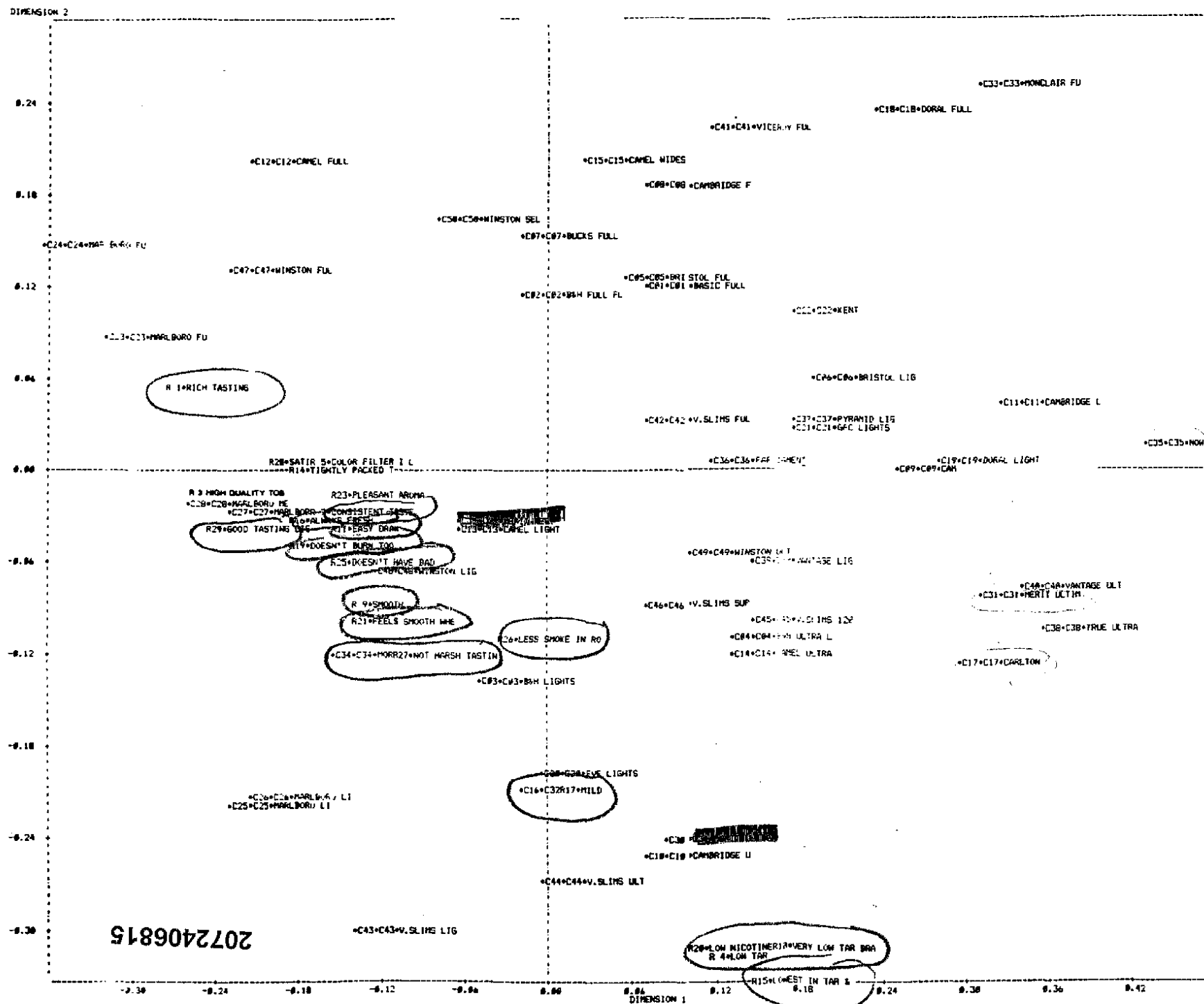


Table 3

PRODUCT ATTRIBUTE MAP (NON-MENTHOL COMFORTABLE)

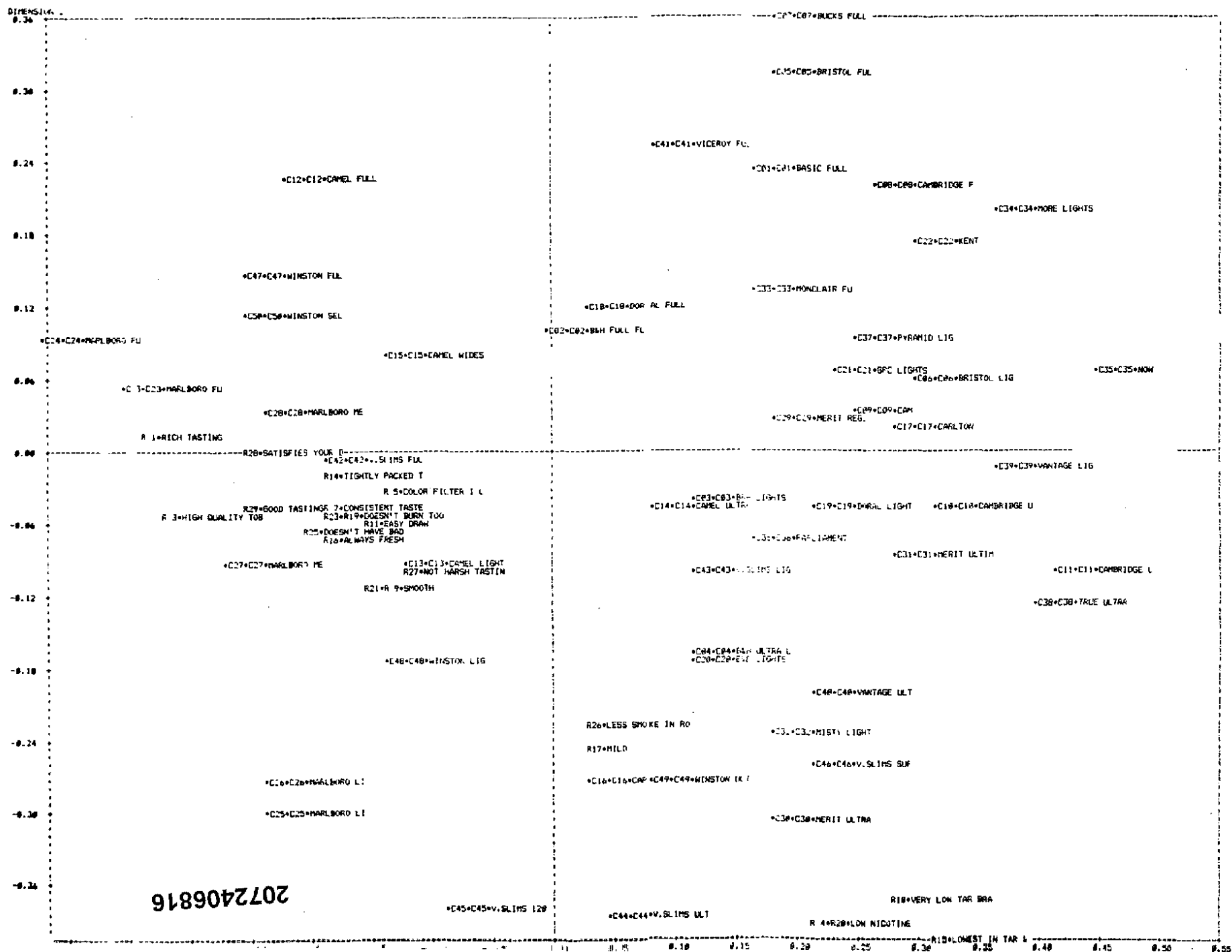


Table 4

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Table 5

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